

STATE OF CALIFORNIA  
Budget Change Proposal - Cover Sheet  
DF-46 (REV 03/15)

Fiscal Year 16/17	Business Unit Office of Public Affairs	Department Resources Recycling and Recovery	Priority No
Budget Request Name 3970-019-BCP-DP-2016-GB		Program 3700	Subprogram

Budget Request Description

Settlement Fees from Alameda County legal action against Comcast Cable Communications, LLC to be used by CalRecycle for Creation of Public Service Announcements

Budget Request Summary

The Department of Resources Recycling and Recovery (CalRecycle) requests one-time increased authority of \$150,000 Integrated Waste Management Account. Funding for this augmentation stems from a portion of a legal settlement brought by Alameda County against Comcast Cable. CalRecycle, consistent with the terms of the settlement, will create Public Service Announcements (PSA) about proper handling and disposal of Universal and Household Hazardous Waste (UH/HHW), including electronic waste.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No  
*Attach comments of affected department, signed and dated by the department director or designee.*

Prepared By Mark Oldfield	Date 2.17.16	Reviewed By Sarah Keck	Date 2.25.16
Department Director Scott Smithline	Date 29 Feb, 2016	Agency Secretary Matthew Rodriguez	Date 3-2-16

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

BCP Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA Original Signed by Ellen Moratti PPBA	Date submitted to the Legislature MAY 13 2016
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**A. Budget Request Summary**

The Department of Resources Recycling and Recovery requests authority to use \$150,000, paid by Comcast Cable as part of the company's settlement with Alameda County. The funds will be deposited into the Integrated Waste Management Fund to create Public Service Announcements about proper handling and disposal of Universal and Household Hazardous Waste (UH/HHW), including electronic waste.

In its settlement Alameda County requested CalRecycle undertake the project given its prior experience with PSA creation as well as its mission to provide public education and outreach on waste and recycling-related issues. The \$150,000 payment to CalRecycle is ordered in the final consent judgment agreed to in Alameda County Superior Court in December 2015. The Public Service Announcements will raise awareness about the dangers of illegally discarding UH/HHW and educate Californians on how to properly dispose of UHH/HW and e-waste.

CalRecycle will oversee the Request For Proposal (RFP) process to hire a marketing/communications contractor to produce the PSAs, administer the contract, manage the contractor awarded the contract, and oversee production of the PSAs for quality and message control.

Funding made available to CalRecycle in this settlement is designated for creating the PSAs only. Air time to broadcast the PSAs will be funded independently by Comcast Cable through in-kind payments to broadcasters of \$2.25 million in equal increments over four years through 2020. This stipulation is consistent with the settlement terms.

**B. Background/History** (*Provide relevant background/history and provide program resource history. Provide workload metrics, if applicable.*)

In a settlement agreement filed on December 16, 2015 in the Alameda County Superior Court, Comcast Cable Communications LLC, a Delaware Limited Liability Company (Comcast Cable) agreed to pay the State of California more than \$25 million to resolve allegations related to improper handling and disposal of hazardous waste. As part of the judgement, Comcast was ordered to pay \$150,000 toward the creation of Public Service Announcements (PSAs) to educate the public on how to properly dispose of electronics containing hazardous waste.

CalRecycle was not party to the suit. However, because CalRecycle has significant responsibilities for making recycling opportunities available to the public, including the production of several PSAs and the successful execution of public education campaigns, the department was requested to manage the project.

Consistent with the settlement, CalRecycle is requesting \$150,000 IWMA in one-time additional authority to develop and produce 30-second video PSAs that Comcast will run from January 2017 through December 2020 on stations in California. The PSAs will address how to handle hazardous waste regulated by the state. As noted above, the \$150,000 that CalRecycle receives is earmarked for the creation of the PSAs only. As part of the judgement, Comcast is required to fund the PSA broadcasts.

## Analysis of Problem

### Resource History (Dollars in thousands)

Program Budget	2010-11	2011-12	2012-13	2014-15	2015-16
Authorized Expenditures	NA	NA	NA	NA	NA
Actual Expenditures					
Revenues					
Authorized Positions					
Filled Positions					
Vacancies					

### Workload History

Workload Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2016
e.g., Applications Received, Applications Processed, Call Volume, etc.	NA	NA	NA	NA	NA	NA

*\*This is a new project and thus has no associated resource or workload history.*

### C. State Level Considerations

CalRecycle has a responsibility to protect and enhance the environment and ensure public health and safety for all Californians. The department is also mandated to conduct public education outreach to raise awareness about environmental and conservation issues. As such, the content of the PSAs is consistent with CalRecycle's commitment to protect the environment by empowering Californians with information on how to safely dispose of electronic waste. The PSAs will serve to increase public awareness of the dangers of UW/HHW materials to the environment, achieve consistent consumer messaging about how to dispose of hazardous waste in electronic products, and strengthen participation of California corporate retailers. The no-cost PSAs will support local jurisdictions that lack resources, as well as underserved communities that may be disproportionately affected by waste issues. The PSAs will be available in Spanish also.

This proposal has no impact on other state agencies nor to the General Fund.

### D. Justification

Since certain components of electronic devices may be considered hazardous due to heavy metal or other constituents, the end-of-life handling of some electronic discards is regulated by either federal (Resource Conservation and Recovery Act) or state (Health and Safety Code) hazardous waste laws, or both. In California, the Electronic Waste Recycling Act of 2003 established a funding system for the collection and recycling of certain electronic wastes. Through the legislation, CalRecycle was charged to manage the covered electronic waste recovery and recycling program, which provides all Californian's convenient recycling opportunities for unwanted electronics.

In addition to overseeing the covered electronic waste recovery and recycling program, CalRecycle is also responsible for protecting Californians by conducting public education activities to promote the proper disposal of UW/HHW. The PSAs would serve to further this goal by providing consistent messaging, across a broad range of cable channels, for a four-year period.

The Comcast Cable settlement stipulates funds shall be provided to CalRecycle for use in covering the cost of developing and producing 30-second video PSAs educating the public throughout California on the subject of how to handle hazardous waste regulated by the State of California. The material to be covered in the PSAs is most closely related to the Integrated Waste Management Fund and therefore this fund has been selected as the most appropriate to receive funds from the Settlement.

## Analysis of Problem

- E. Outcomes and Accountability** *(Provide summary of expected outcomes associated with Budget Request and provide the projected workload metrics that reflect how this proposal improves the metrics outlines in the Background/History Section.)*

Currently there are no CalRecycle funding or budget allocations dedicated to public education campaigns about how Californians should handle UW/HHW materials, including e-waste.

### Projected Outcomes

Workload Measure	2016/17	2017	2018	2019	2020	2021
Create 3-4 Public Service Announcements to be offered in both English and Spanish.	\$150,000	Comcast to provide air time value of approximately \$560,000 for airing PSAs	Comcast to provide air time value of approximately \$560,000 for airing PSAs	Comcast to provide air time value of approximately \$560,000 for airing PSAs	Comcast to provide air time value of approximately \$560,000 for airing PSAs	NA

## F. Analysis of All Feasible Alternatives

### Option 1: Approve expenditure of settlement funds

In order to achieve the goals of this proposal, CalRecycle requests \$150,000 in expenditure authority to utilize funds received from the terms of the settlement and judgement achieved by the Office of the Attorney General and our local partner Alameda County to create Public Service Announcements to educate the public about proper handling and disposal of UH/HHW and electronic waste.

**Pros:** This option would allow CalRecycle to fully implement the terms of the settlement and judgment achieved by the Office of the Attorney General and our local partner Alameda County, and through public outreach via PSAs to decrease instances of improper handling and disposal of hazardous materials across the state.

**Cons:** A limited amount of existing staff time would need to be redirected toward oversight of the outreach contract and PSA production.

### Option 2: Reject expenditure of settlement funds

CalRecycle declines the \$150,000 settlement and judgement achieved by the Office of the Attorney General and our local partner Alameda County to create Public Service Announcements to educate the public about proper handling and disposal of UH/HHW and electronic waste.

**Pros:** This alternative would remove the cost of hiring a contractor to create the PSAs, as well as the time associated with going through the RFP process and overseeing the contractor. No additional authority needed. There would be no workload.

**Cons:** This alternative would mean not upholding the terms of the settlement and judgement achieved by the Office of the Attorney General and our local partner Alameda County, and it is unknown how this would impact Alameda County's ability to use the \$150,000 stipulated in the settlement agreement for CalRecycle to oversee the production of the Public Service Announcements.

## Analysis of Problem

### G. Implementation Plan

Submit the Scope of Work and request approval from agency to move forward with a Request for Proposal to seek a contractor to create the PSAs. Release the RFP to solicit marketing/communications agencies to submit proposals, including creative concepts for the PSAs. Review proposals, then select the winning agency. Work with the agency to fully develop concepts and messaging for the PSAs. Oversee production of the PSAs. Submit final, approved PSAs to Comcast Cable for broadcast over their variety of stations from 2017-2020.

### H. Supplemental Information *(Describe special resources and provide details to support costs including appropriate back up.)*

### I. Recommendation

Approve CalRecycle's request to increase IWMA expenditure authority, on a one-time basis, to utilize the \$150,000 from Comcast Cable's settlement fees to create PSAs, as ordered by the Alameda County Superior Court. The PSAs will raise awareness about the dangers of illegally discarding UH/HHW, including e-waste, and to educate Californians on how to properly dispose of these items.

## BCP Fiscal Detail Sheet

BCP Title: Settlement Fees for Public Service Announcements

DP Name: 3970-017-BCP-DP-2016-MR

### Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5340 - Consulting and Professional Services -	0	150	0	0	0	0
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$150</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$150</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Fund Summary

Fund Source - State Operations						
0387 - Integrated Waste Management Account,	0	150	0	0	0	0
<b>Total State Operations Expenditures</b>	<b>\$0</b>	<b>\$150</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$150</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Program Summary

Program Funding						
3700 - Waste Reduction and Management	0	150	0	0	0	0
<b>Total All Programs</b>	<b>\$0</b>	<b>\$150</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>